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3 May 1960

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## CENTRAL

## INTELLIGENCE

# BULLETIN



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## CENTRAL INTELLIGENCE BULLETIN

3 May 1960

### DAILY BRIEF

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#### I. THE COMMUNIST BLOC

#### II. ASIA-AFRICA

South Korea: Demonstrations on 2 May at Taegu and Pusan by about 20,000 students calling for election of a new national assembly suggest that the students have no intention of giving up their hard-won initiative. Constitutional problems are complicating the evolution of a new regime and preparation for elections.

Acting Chief of State Huh Chung's intention to cease hostage diplomacy, relax enforcement of the Rhee line, and admit Japanese newsmen to South Korea will largely meet the requirements for progress toward a settlement between Seoul and Tokyo.

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Indonesia-Netherlands: The Indonesian Government on 2 May took its first retaliatory step against the planned cruise of Dutch naval units to Netherlands New Guinea by ordering all foreign oil companies in Indonesia to replace their Dutch nationals with Indonesian citizens. Their departure is likely to reduce the companies' efficiency and cause further damage to the Indonesian economy.

Morocco-France: The Moroccan premier has informed 25X1 Ambassador Yost that unless France shortly agrees to evacuate its Moroccan bases, Morocco may "be obliged" to take "very severe" measures. Moroccan harassment of French facilities at

Kenitra--formerly called Port Lyautey which is operated jointly with the United States, would provide new difficulties in US-Moroccan relations.

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Pakistan: Pakistani President Ayub apparently intends to relieve ambitious Lieutenant General Sheikh of his duties as minister of interior and to appoint him permanently to the less powerful Ministry of Food and Agriculture, which he took over on an apparently temporary basis on 20 April. While this move and the appointment on 11 April of ex-Food Minister Lieutenant General Azam to the governorship of East Pakistan reflect the high priority being given to increasing food production and progress in East Pakistan, the two assignments, which are resented by the appointees, also suggest that Ayub may be deliberately reducing the influence of the two strongest members of his cabinet.

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DAILY BRIEF

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#### II. ASIA-AFRICA

### New Demonstrations in South Korea

New peaceful demonstrations on 2 May at Taegu and Pusan by about 20,000 South Korean students calling for the speedy election of a new national assembly suggest that the students have no intention of giving up their hard-won initiative. This continuing student ferment accompanies the efforts of the Huh Chung cabinet and the incumbent National Assembly to solve the constitutional problems complicating the evolution of a new regime and preparation for new elections. Although gradually relaxing martial-law restrictions, Lieutenant General Song Yo-chan has warned that his men would take "strict action against future demonstrations."

Some American observers have speculated that new elections for the legislature will be held sometime in July, when the assembly probably will have finished amending or repealing the most repressive legislation of the Rhee regime. It is not yet clear whether elections for a new legislature will precede or follow the establishment of a form of government providing a prime minister and cabinet responsible to parliament. Such a system might also eliminate the popular election of the president. Undue legislative conflict and delay over the necessary amendment of the constitution might provoke public discontent against the legislators and further aggravate political instability.

Meanwhile, Huh Chung has indicated to the American Embassy that he intends to revise Rhee's hostage diplomacy toward Japan, relax enforcement of the "Rhee fishing line," and permit Japanese newsmen to enter South Korea. Such action should largely meet Tokyo's requirement for progress toward a settlement of outstanding issues between Seoul and Tokyo. Huh, however, must move cautiously to avoid any impression that he is making excessive concessions to Japan.

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## Moroccan Premier Indicates Intent to Press for French Evacuation

Moroccan Premier Abdullah Ibrahim has informed Ambassador Yost that unless France shortly agrees to evacuate its Moroccan bases, Morocco may "be obliged" to take "very severe" measures. Ibrahim recently protested the procedure followed when American units withdrew from two radar sites operated jointly with French forces. He demanded that the United States relinquish all facilities—even those operated jointly with France—directly to Moroccan forces, adding that incidents are "just what we want. . . if these are necessary to get the French out." Renewed protests are likely when American forces installed at a French base in Rabat are withdrawn.

Ambassador Yost comments that Ibrahim appears to be aware that he is about to be replaced and may plan, when out of power, to lead Moroccan leftists in a "frontal assault" on all Moroccan ties with the West. The King, however, still hesitates to replace the present government.

Moroccan harassment of French operations at the naval air facility at Kenitra--formerly Port Lyautey--which are operated in conjunction with the US, would pose new problems in US-Moroccan relations. The French Air Force is considering transferring its command functions and personnel from Rabat to Kenitra. Such a move might provoke Moroccan leftists to attempt to blockade the

base.7

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Pakistani Cabinet Shifts May Hurt Government's

Prestige and Authority

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Pakistani President Ayub apparently intends to relieve ambitious Lieutenant General Sheikh of his duties as minister of interior within a few weeks and appoint him permanently to the less important Ministry of Food and Agriculture, which he took over on an apparently temporary basis on 20 April. Sheikh says that he has protested the intended shift but that Ayub insists on the grounds that he needs a man of Sheikh's strength in this key economic ministry. Lieutenant General Azam Khan, generally regarded as Ayub's right-hand man, vacated the top post in the Ministry of Food when Ayub appointed him governor of East Pakistan on 11 April.

Both men are unhappy with their new assignments. Azam was apparently eager to push ahead with his crash program to increase food production and reportedly tried to decline the governorship. In addition, he probably viewed his departure from Rawalpindi as a demotion since it removed him from both the military and political center of power. Sheikh has been frequently mentioned in rumors circulated by opponents of the regime as eager to increase his own power even at the expense of President Ayub, and he may feel keenly his loss of control over Pakistan's police forces, which are under the Ministry of Interior.)

While the changes demonstrate the importance Ayub attaches to the problems of food production and the administration of East Pakistan, the simultaneous reduction of the influence of the two strongest men in the Ayub cabinet suggests that Ayub may be at least partly interested in consolidating his paramount position in the government. The reassignments could weaken the appearance of government stability and internal harmony, which Ayub has hitherto managed to convey to the Pakistani public. In addition, the change in the Food and Agriculture Ministry, the third in four months, may slow down the food program.

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